GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:4028
ANSWERED ON:09.04.2003
ENCOURAGEMENT TO CELLULAR TELEPHONES
SULTAN SALAHUDDIN OWAISI

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether cellular telephones are cost effective as compared to land line telephones;

(b) if so, the comparative figure of each cell phone and land line telephone in terms of manpower, infrastructure as well as response of public;

(c) whether the Government propose to encourage cellular telephones as compared to land line telephones; and

(d) if so, the steps taken or being taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRIMATI SUI MAHAJAN)

(a) & (b) Sir, the Telecom Regulatory Authority of India (TRAI) is responsible for fixation of tariffs for telecom services including Cellular Mobile Telephone Services (CMTS) and Basic Telephone Service in the country. Generally, the tariffs for Landline Telephones (under Basic Telephone Service) are still lower when compared to Cellular Telephones. However, tariff for CMTS is currently under forbearance which means that the cellular operators are at liberty to offer various tariff options for Cellular Telephones and the same have shown a continuously downward trend in the recent past; this is mainly due to the increased competition in the Cellular Sector. In the recent past, the rate of growth per annum of Cellular Telephones has been 80%-90% in comparison to about 22% growth of Landline Telephones. Cellular operators have various tariff plans with varying rates of monthly rental and airtime charges, which they go on revising from time to time. Information provided by TR! AI indicates thatcurrently there are more than 600 different tariff plans available for the cellular subscribers across the country. As such it is not possible to make a meaningful comparison between the tariffs of Cellular Telephones and Landline Telephones. Comparative figures for manpower and infrastructure in respect of Government Operators namely Mahanagar Telephone Nigam Limited and Bharat Sanchar Nigam Limited are being collected and will be laid on the Table of the House; as regards private operators, the Government does not keep a record for the same.

(c) & (d) The Government have opened all telecom services for unrestricted competition except services such as CMTS in which the number of Licensees is restricted to 4 per Service Area at present due to radio spectrum constraint. The Government have also created level playing field conditions for all types of service providers so that all the telecom services grow as per their potential.